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Message Text

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ATTN PARIS FOR MARK PRATT

SECOND C O R R E C T E D C O P Y (GARBLED TEXT PARAS 4 THRU 8)

E.O. 11652: N/A

TAGS: SOPN, XC, US

SUBJECT: JUNE 28 EA PRESS SUMMARY

1. INDOCHINA

W DIPL SOURCES VIENTIANE DO NOT KNOW WHAT CHARGES 6
FOREIGNERS, INCL AUSSIE NEWSMAN JOHN EVERINGHAM, BEING HELD.
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ADD AUSSIE EMB SENT LAOTIAN GOVT NOTE ASKING DETAILS OF
CHARGES VS EVERINGHAM (REUTER, WP). LAO GOVT HAS NOT YET
DISCLOSED WHEREABOUTS 6 ARRESTED WESTERNERS; AUSSIE/UK/
FRENCH EMBS MAKE APPROACHES TO MFA, WHICH SAYS DOES NOT
KNOW WHERE THEY ARE (REUTER BANGKOK).

IN HK, BUTTERFIELD (NYT, EXCERPTED IN SUN) QUOTES SAIGON
COMMUNIST CHIEF VO VAN KIET THAT ALL FORMER SVN BUSINESS/
AGRIC WILL BE FULL COLLECTIVIZED BY 1979. NOTES INDICATION
OF MORE THOROUGHGOING/FASTER COLLECTIVIZATION THAN EARLIER

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OUTLINED. SAYS KIET ALSO STATED 700,000 LEFT SAIGON FOR COUNTRYSIDE SINCE WAR'S END, W/ANOTHER 700,000 TO LEAVE IN NEXT 2 YRS.

2. INDOCHINESE REFUGEES

HK PAPER ESTIMATES 5,000 VIET REFUGEES SAILING TO HK IN EXODUS THAT BEGAN WHEN WORD SPREAD THEY WOULD GET 3-MOS "GRACE PERIOD" THERE; MOST OF CHINESE ANCESTRY W/RELATIVES HK. USN AT SUBIC DISCOUNTS FIGURE (UPI, GLOBE 6/26).

3. BURMA

OVER 7,000 ARRESTED IN RANGOON AREA SO FAR THIS YR IN CAMPAIGN VS PICKPOCKETS/OTHER CRIMINALS (REUTER RANGOON).

4. JAPAN

KEY CABINET MINS REPORT TO FUKUDA ON OECD MTG, HELD EARLIER IN JUNE. REPORTS NOTED UK'S COMPLAINT THAT JAPAN'S ECON POL UNSATISFACTORY IN EVERY RESPECT/TREAS SEC BLUMENTHAL'S SUGGESTION THAT NATIONS W/TRADE SURPLUS DISPOSE OF INTEREST EARNED FROM EXTERNAL RESERVES.
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FUKUDA TOLD MINS SEEK WAYS REDUCE JAPAN'S LARGE TRADE SURPLUS TO AVERT MOUNTING OVERSEAS CRITICSM (REUTER TOKYO).

MITI REPORT URGES GOJ HELP FON FIRMS BOOST SALES IN JAPAN/INCREASE IMPORTS BY STIMULATING DOMESTIC ECONOMY. EC/US CRITICISM JAPAN'S TRADE SURPLUS ALSO NOTED (REUTER TOKYO).

TRANSPORT MINISTRY SAYS FON AIRLINES WHICH HAVE FAILED PAY JAPANESE FINES FOR NOISY JET TAKEOFFS/LANDINGS SINCE '75 COULD FACE DEMANDS FOR 14.5 PCT INTEREST ON ARREARS. MORE THAN 50 AIRLINES FIGHTING LEGAL BATTLE OVER 10 MIL DOLS IN FINES; OTHER LINES SIMPLY HAVE REFUSED PAY (REUTER TOKYO).

HONDA TO RAISE PRICES CARS SOLD IN US BY 4 PCT, EFFECTIVE 7/15. FIRM CARRED OUT 2.2 PCT MARKUP 5/9 (NYT, WP)

5. JAPAN/AUSTRALIA

JAPAN/AUSTRALIA SUGAR TALKS TO RESUME IN TOKYO 6/29. JAPANESE SUGAR INDUSTRY SOURCES SAY JAPAN MAY START BUYING FROM CUBA/OTHERS AFTER 1980 UNLESS AUSTRALIAN SUPPLIERS AGREE REDUCE PRICES (REUTER TOKYO).

ELECTRIC POWER DEVELOPMENT CORP OF JAPAN HAS REACHED

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BASIC AGREEMENT W/AUSTRALIAN FIRMS TO IMPORT 500,000
METRIC TONS COAL PER YR OVER 5 YRS BEGINNING 1980).

6. JAPAN/CHINA

JAPANESE CABINET 6/28 APPROVED APPOINTMENT VICE FON
MIN SHOJI SATO AS AMB TO PEKING. SATO SUCCEEDS HEISHIRO
OGAWA, AND SINCE JAPAN-PRC RELS REOPENED 1972. SATO
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EXPECTED TAKE UP POST LATE JULY/EARLY AUG (REUTER TOKYO).

7. KOREA

REUTER (SEOUL) REPORTS "AUTHORITATIVE" GON MINISTRY
SOURCE SAID FON MIN PARK HANDED AMB SNEIDER NOTE OF
PROTEST 6/28 OVER CONGRESSIONAL TESTIMONY LAST WK BY
FORMER KCIA CHIEF KIM, ALSO OVER REPORTED CIA MONITORING
BLUE HOUSE. PROTEST STATED KIM'S TESTIMONY CONSTITUTED
"SERIOUS MATTER"/ASKED USG TAKE "IMMEDIATE APPROPRIATE
STEP" TO PREVENT RECURRENCE. FON MIN ALSO REPORTEDLY
ASKED DIPLOMATIC PAPER CONTAINING USG DENIAL BLUE HOUSE
BUGGING.

WB APPROVES 80-MIL-DOL LOAN TO SK FOR HEAVY MACHINERY
MFG COMPLEX (WSJ).

BEFORE PASSING BILL 6/27 REQUIRING HIGH-RANKING GOVT
EMPLOYEES FILE PUBLIC FNANCIAL STATEMENTS, SENATE BY
VOICE VOTE ADDED AMENDMENT SETTING UP MECHANISM FOR
POSSIBLE APPOINTMENT OF SPECIAL FEDRL PROSECUTOR TO
LOOK INTO ALLEGATIONS ALLEGED CAPITOL HILL INFLUENCE-
BUYING BY TONGSUN PARK (RICH, WP.)

8. INDONESIA

INTL POPULATION EXPERTS CONCLUDING CENSUS IN JAKARTA
HAVE DISCOVERED SIGNFICANT EVIDENCE THAT GROWTH RATE
HAS SLOWED IN E JAVA/BALI--MOST DENSELY POPULATED REGIONS
OF INDONESIA. AT SAME TIME, EXPERTS UNCOVERED DISTURBING
INDICATIONS OF REVERSAL IN USUAL LINK BETWEEN RISING
FAMILY INCOME/SMALLER FAMILY SIZE--FACT WHICH THREATHENS
WIPE OUT GAINS IN POPULATIION CONTROL (ANDELMAN, NYT
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JAKARTA).

9. GENERAL

NAVY SEC CLAYTOR TOLD NWC SEMINAR 6/27 THAT US CAN LOOK FWD

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TO DECADE RELATIVE STABILITY IN PAC AREA FOR NEXT 10 YRS,
THO NOTED KOREA/PRC SOURCES PROBABLE TENSION (REUTER
WASHINGTON).

COMMENT AND ANALYSIS

10. CHINA

CDN'S BEECH WRITES THAT SEC VANCE TRIP TO PRC WILL COMMAND
INTL ATTENTION, AND CARTER MUST SOON TAKE STAND ON WHETHER
NORMALIZE RELS. CITES ADMIN CHINA SPECIALISTS AS SAYING
CHINA POLICY HAS BEEN PUT UNDER "MICROSCOPE FROM EVERY
CONCEIVABLE ANGLE." PRES' DECISION SEND SON "CHIP" TO
PRC WITH CODEL SEEN AS "HOLDING ACTION" UNTIL DECISION
MADE ON NORMALIZE RELS. NOTES PRES HAS REPEATEDLY SAID
WANTS DIP RELS W/PEKING BUT NOT AT TAIWAN EXPENSE AND
DURING ELECTION CAMPAIGN VOWED SUPPORT FOR TAIWAN REGIME.

BEECH FEELS PUBLIC STATEMENTS INDICATE CARTER NOT READY
RECOGNIZE ON PRC TERMS, BUT SAYS DOS SOURCES CAUTION
PREMATURE DRAW CONCLUSIONS. MAJOR FACTOR IS PUBLIC
REACTION; NOTES US OPINION POLLS SHOW STRONG SUPPORT FOR
TAIWAN. IF MOVE IS TOWARD RECOG PRC, ADMIN MUST BATTLE
WITH CONGRESS CONSERVATIVES OF BOTH PARTIES.

SUN'S ISAACS (HK) WRITES THAT PRO-PRC PUBLICATIONS THERE
HAVE BEGUN LETTING MAO'S FAULTS SHOW. SUGGESTS SLOW
WHITTLING-DOWN MAO'S GODLIKE IMAGE MAY ALSO BE OCCURRING
IN PRC. CRITICISM ACKNOWLEDGES MAO GREAT REVOL LEADER,
BUT SAYS HE DID COMMIT SOME ERRORS, PARTICULARLY IN
LATTER YRS LONG REIGN.
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WP'S MATHEWS (HK) NOTES POLITICAL PURGE IN SEEMINGLY
SECURE ANHWEI PROVINCE, WHERE SUNGPEI-CHANG REPLACED BY
PEKING'S MAN WAN LI. SAYS REMOVAL SUNG MARKS FIRST TIME
SINCE OCT PURGE THAT PROVINCIAL LEADER PERSONALLY REBUKED
IN OFFICIAL PRC MEDIA. MOVE LEAVES OPEN POSSIBILITY POL
CAMPAIGN TO MOP UP "GANG" SUPPORTERS MAY BE PROLONGED BY
ATTACKS ON LEADERSHIP WHO DIDN'T SHIFT FAST ENOUGH. NOTES
SOME 12 REMAINING MEMBERS POLITBURO NOT MUCH FASTER THAN
SUNG IN CEASING ATTACKS ON TENG IN OCTOBER; ANHWEI EVENTS
SUGGEST THEIR POSITIONS POSSIBLY IN DANGER.

MATHEWS ADDS NEW SERIES SHAKEUPS IN PAST 2 WKS BEAR UN-
MISTAKABLE IMPRINT VETERAN PARTY LEADERS AS TENG. MENTIONS
ALSO KANGSU PROVINCE SHAKEUP. SAYS ATTACK ON SUNG/OTHER
FORMER TENG CRITICS MAY BE STIMULATED BY LOCAL PROBLEMS AND
COULD LEAD TO NO TOP-LEVEL PURGES. (BRIEF NYT ARTICLE FROM
TORONTO GLOBE AND MAIL'S MUNRO IN PEKING ALSO NOTES
RADICALS LOSE ANHWEI STRONGHOLD/LIAONING POSTERS DENOUNCE
ALLEGED RADICAL OFFICIALS. RADICALS ALSO DENOUNCED IN

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SINKIANG/REMOVED IN KANSU).

11. MACAO

REUTER'S EARNSHAW WRITES FROM MACAO (IN CSM) THAT TINY PORTUGUESE ENCLAVE PERFECT COLONIAL PARADOX. UNAFFECTED BY '74 PORTUGUESE REVOLUTION/CONTINUES GOVERNED BY TACIT PORTUGUESE/PRC ALLIANCE. MACAO RARELY PERMITS SOV/ EEUROPE NATL'S VISIT.ECONOMYRELIES ON TEXTILE/TOURISM/ GAMBLING. SAYS GOOD GROUNDS OPTIMISM MACAO FUTURE, AND MENTIONS TERRITORY ALSO EXPERIMENTING W/DEMOCRACY FOR FIRST TIME.

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12. JAPAN

NYT'S MALCOLM (TOKYO) REMARKS PRINCIPAL JAPANESE/OVERSEAS INTEREST IN UPPER HOUSE ELECTIONS CONCERN INDICATIONS THEY WILL GIVE OF VOTER ATTITUDES TOWARD LDP. NO ONE EXPECTS POWER PASS TO ANY ONE/COMBO OF 5 MAJOR OPPOSITION PARTIES. LDP SEEN RETAINING POWER THRU '"PARTIAL COALITION"' W/1 OTHER PARTY. OPINES SERIOUS LOSS WOULD UNDERMINE FUKUDA'S STANDING W/IN LDP/POSSIBLY REIGNITE FACTIONAL FIGHTING. NOTES OHIRA "WAITING IN THE WINGS" ALONG W/ MIKI, WHOM MANY BELIEVE MAY MAKE HIMSELF AVAILABLE FOR PARTY PRESIDENC ONCE AGAIN.

13. KOREA

ANDERSON/WHITTEN SAY THEY HAVE LEARNED FROM GOVT SOURCES THAT NKOREANS STILL OPERATE SMUGGLING RINGS IN MANY OF 90 COUNTRIES W/WHICH THEY STILL HAVE FORMAL RELS. CHARGE NK BUYING LIQUOR/CIGARETTES TAX-FREE, PEDDLING THEM ON BLACK MARKET. SOURCES SAY SMUGGLING CONDONED BY PYONGYANG AS MEANS FINANCING OVERSEAS MISSIONS (WP).

MACNELLY CARTOON (NYDN) DEPICTS SMALL BOY W/T-SHIRT MARKED "CONGRESS" ATOP SELF-BUILT PILE BOOKS/POTS/ETC. BOY REACHING INTO COOKIE JAR MARKED "KOREAN BRIBES"/SAYS, "HEY (BURP)...IT'S NOT MY FAULT...SOME CLOWN LEFT THE COOKIES OUT IN PLAIN SIGHT."

14. INDOCHINA/KOREA

ANDERSON/WHITTEN (BALT NA 6/27) SAY KR LEADERS SO SECRE- TIVE/XENOPHOBIC THAT SOME TAKE ON PSEUDONYMS TO AVOID IDENTIFICATION. NOTE US ANALYSTS ONLY FEW MOS AGO LEARNED CP SECGEN SALOT SAR/PM POL POT PROBABLY SAME PERSON. ADD THAT FEW NKOREANS DEFECT ACROSS 38TH PARALLEL STATE LAST DEFECTOR WAS YOUNG SOLDIER WHO STOLE SGT'S
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LUNCH, FLED IN FEAR RETRIBUTION.

JACK ANDERSON, ON ABC-TV'S "GOOD MORNING AMERICA," (6/27) GAVE BACKGROUNDER ON 2 MOST CLOSED-OFF COUNTRIES IN WORLD: CAMBODIA/NK. NOTED DRABNESS/DREARY LIFE IN PP. STATED AMONG DIPLOMATS NK'S KIM IL SUNG KNOWN AS "OLD R AND B" SINCE PRESS REFERENCES ALWAYS CALL HIM "RESPECTED AND BELOVED." POINTED OUT KIM ALWAYS ELECTED UNANIMOUSLY W/100 PCT VOTER TURNOUT.

15. INDOCHINA

IN ARTICLE DECRYING "HOUSE DEMAGOGUERY" IN FOREIGN AID, MCGRORY (GLOBE 6/27) NOTES NO US FUNDS IN INTL LENDING INSTITUTIONS CAN GO TO COUNTRIES THAT DISPLEASE US-- CAMBODIA/LAOS/VN/4 OTHERS. SAYS IF HOUSE RIGHT, US IN UGLY MOOD/WANTS PUNISH PEOPLE WHO DEFEAT US IN WAR, LIKE VN. OPINES PART OF FAULT IS CARTER'S, SINCE HAS NOT APPLIED HUMAN RTS STD EVENLY.

MCCARTHY (WP) LOOKS OVER DEPLORABLE SITUATION VN WAR VIETS. SAYS DESPITE STUDIES/STATISTICS APPEARS MANY IN CONGRESS DON'T WANT BE TOLD VN EXPERIENCE WAS SOMETHING SPECIAL, SINCE THAT OBLIGES THEM REFLECT ON WHY. OPINES ANSWER IS NOT JUST THAT WAS NATION'S LONGEST/MOST EXPENSIVE/2ND LARGEST WAR, BUT AFTER ALL EFFORT WAS IGNOMINIOUSLY LOST.

16. INDOCHINESE REFUGEES

NYDN NOTES PLIGHT "BOAT PEOPLE" WHO NOT WELCOMED/ABSORBED IN ADJACENT ASIAN COUNTRIES AFTER RISKY ESCAPES. POINTS OUT OTHER ASIAN COUNTRIES HAVE ENOUGH PROBLEMS W/O FACING UNCLASSIFIED

NEED PROVIDE FOR REFUGEES/DON'T WANT JEOPARDIZE DEVELOPING RELS W/HANOI. SEES LOGIC IN ASIAN POSITION THAT DEVELOPED W POWERS CAPABLE ABSORBING REFUGEES. COMMENDS ISRAEL FOR RECENTLY TAKING 66. BELIEVES GREATER AWARENESS OF PROBLEM/ PROPER LONG-RANGE PLAN FOR REFUGEES ESSENTIAL.

SUN NOTES ISRAEL'S REFUGE FOR 66 BRINGS WORLD ATTN TO QUIET TRAGEDY HUMAN ENDURANCE/CALLOUSNESS BEING PLAYED OUT IN S CHINA SEA. RECOUNTS STORY OF 66 BYPASSED BY 4 SHIPS BEFORE PICKED UP, THEN REFUSED ACCEPTANCE BY ASIAN COUNTRIES THAT DON'T WANT OFFEND HANOI. BELIEVES ISRAEL'S GESTURE SHOULD TOUCH CONSCIENCE OF WORLD; ADDS SUMMONS ANALOGY TO ANOTHER STATELESS PEOPLE, PALESTINIAN ARABS. VANCE

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